

Massachusetts Solar Stimulus Program

As part of Governor Patrick's Massachusetts Recovery Plan to secure the state's economic future, the Commonwealth wishes to invest in solar photovoltaic energy generation (PV) on public facilities throughout the state, leveraging funds made available under the American Reconstruction and Recovery Act (ARRA) to the greatest extent possible.¹ Through the Energy Task Force of the Governor's Mobilization Effort conducted in preparation for ARRA, the Commonwealth identified over 13 MWs of roof and ground-mounted PV installation. In addition, a Municipal Task Force identified a number of additional potentially suitable projects.

Key principles guiding this effort are:

- rapid deployment of large systems to maximize PV capacity while providing maximum transparency and accountability
- leveraging of federal funds to the fullest extent possible using, where appropriate, 3rd party providers to install and maintain large solar arrays
- obtaining extremely competitive pricing via volume procurements and purchasing and providing fixed long-term electric rates for a number of facilities
- reducing the long-term operating costs of state and municipal facilities
- fostering expansion of the Massachusetts PV industry and create local jobs

Most projects will provide power for on-site demand, however, some systems may supply power back to the grid and receive net-metering credits. For power purchase agreements, the acceptable cost of power is projected to be close to the current cost of power at each facility with annual escalation rates less than inflation, e.g. 2.5%. These agreements will provide a relatively fixed long-term electricity rate, compared to the potential price volatility and risk associated with grid power.

Only roofs capable of carrying structural loads and in good condition will be part of a final solicitation. Those public facilities that meet the minimum criteria for participation will be invited to become Program Participants by submitting certain facility information.

Pursuant to its authority under M.G.L. c. 25A, §6, the Massachusetts Department of Energy Resources (DOER) has developed this program to rapidly install PV on public facilities. On behalf of the program participants, DOER will issue a Request for Responses (RFR), pursuant to M.G.L. c. 25A, §11C, through the Commonwealth's Procurement Access & Solicitation System (Comm-PASS).

¹ Approximately \$55 million of ARRA funds could be available for this effort from several programs, the State Energy Program (SEP), the Energy Efficiency and Conservation Block Grant Program (EECBG), and the State Revolving Fund for Clean Water and Drinking Water (SRF). In addition, the Commonwealth will expect the winning bidder to provide a minimum of \$100 million in private financing to leverage the ARRA funds. The existing Commonwealth Solar Rebate Program funds will not be made available for co-funding these projects. Solar Renewable Energy Certificates (S-RECs), should they become available in Massachusetts, are not available for co-funding these projects.

The RFR will provide a list of public facilities that wish to enter into contracts with the selected vendor. The RFR will also provide details on a subset of these facilities that are ready for immediate construction. DOER, on behalf of all Program Participants, will seek proposals that include 3 separate components: a non-price proposal on the respondents experience and qualifications; a price proposal for solar power purchase agreements for up to five select sites; and an indicative price proposal for the types of remaining projects.

To be considered an eligible bidder, respondents to the RFR must meet the minimum qualifications stated in the RFR, including certification from the Massachusetts Department of Capital Asset Management (DCAM) as an Electrical or Energy Management System contractor. Alternatively, respondents may choose to partner with an appropriate certified entity.

Upon receipt of all proposals, DOER, in consultation with a program evaluation team, will identify qualified bidders based on the non-price proposals and then evaluate the sealed price proposals to select the winning bidder. DOER will then invite each Program Participant to negotiate individual contracts with the selected vendor, consistent with the terms of the RFR, the ARRA terms and conditions, the Commonwealth's terms and conditions, and the respondent's proposal.